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Honorable Karen A. Overstreet  
Chapter 11  
Hearing Location: Seattle, Room 7206

**Hearing Date: Friday, October 8, 2010**  
**Hearing Time: 9:30 a.m.**  
Response Date: Thursday, October 7, 2010

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

In re:

COAST CRANE COMPANY,

Debtor.

No. 10-21229

ORDER, INTER ALIA, (i)  
SCHEDULING A HEARING TO  
APPROVE ASSET PURCHASE  
AGREEMENT WITH COAST  
RAINIER ACQUISITION COMPANY  
FOR SALE OF DEBTOR'S ASSETS,  
FREE AND CLEAR OF LIENS; (ii)  
APPROVING THE FORM AND  
MANNER OF NOTICE; (iii)  
APPROVING EXPENSE  
REIMBURSEMENT; (iv) APPROVING  
BIDDING PROCEDURES; AND (v)  
APPROVING PROCEDURES FOR  
ASSUMPTION AND ASSIGNMENT  
OF EXECUTORY CONTRACTS

THIS MATTER came before the Court upon the motion (the "Motion")<sup>1</sup> of Coast Crane Company, debtor and debtor-in-possession ("Debtor"), for the entry of two (2) orders:

(a) this order (the "Bidding Procedures Order");

(i) approving the form and manner of notice of the Motion;

<sup>1</sup> Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Purchase Agreement (as defined below) or the Motion.

- 1 (ii) scheduling a hearing to approve the relief requested in the Motion (the "Sale  
2 Hearing"), and approving the form and manner of notice of the Sale Hearing;  
3 (iii) setting a deadline and establishing requirements and procedures for interested  
4 parties to submit any competing bids;  
5 (iv) setting a date for the filing of objections, if any, to the relief requested in the  
6 Motion;  
7 (v) setting deadlines and establishing procedures for objections to assumption and  
8 assignment of the Assumed Executory Contracts and determining any  
9 applicable cure amounts; and  
10 (vi) approving the Break-Up Fee and Expense Reimbursement; and  
11 (b) an order (the "Sale Order"): 12  
13 (i) authorizing and approving the Asset Purchase Agreement (the "Purchase  
14 Agreement"), by and between the Debtor, as seller, and Coast Rainier  
15 Acquisition Company as buyer ("Buyer" or "CRAC"), substantially in the  
16 form attached to the Declaration of Tom Neary;  
17 (ii) authorizing the sale of the Purchased Assets (the "Asset Sale"), which assets  
18 are fully described in the Purchase Agreement and the exhibits attached  
19 thereto, to Buyer, free and clear of all liens, claims, interests, charges and  
20 encumbrances, subject to the terms of the Purchase Agreement, this Bidding  
21 Procedures Order and the Sale Order and subject to higher and better offers;  
22 (iii) authorizing assumption and assignment of the Assumed Executory Contracts  
23 and Leases;  
24 (iv) authorizing Debtor to consummate all transactions related to the above; and  
25 (v) authorizing relief consistent with the foregoing in connection with an asset  
26 purchase agreement between Debtor and any other party submitting a higher  
and better offer for the Purchased Assets in accordance with the bidding  
procedures set forth below (collectively, the "Relief Requested") and all as  
more fully set forth in the Motion;

and it appearing that it is necessary and appropriate to establish bidding procedures to govern the  
submission of competing bids for the Purchased Assets and for the assumption and assignment of  
executory contracts; and Debtor having advised the United States Trustee (the "UST"), counsel for

1 Buyer, counsel for any official committee appointed in this case ("Official Committee(s)"), parties  
2 identified by Debtor's professionals as currently having expressed interest in purchasing all or  
3 substantially all of Debtor's assets and its business or previously has submitted to Debtor a written  
4 proposal for the acquisition of Debtor and/or substantially all of its assets together with an executed  
5 non-disclosure agreement, all Persons or other entities known by Debtor to have filed a notice of  
6 appearance or a request for receipt of notices in Debtor's case as of the date hereof, counsel for the  
7 Senior Lenders, and Debtor's twenty largest unsecured creditors, of the presentation hereof, and after  
8 due deliberation and sufficient cause appearing therefore,  
9

10 **IT IS HEREBY FOUND THAT:**

11 A. Debtor has articulated good and sufficient reasons for approving (i) the form and  
12 manner of notice of the Motion and Sale Hearing, (ii) the proposed bidding procedures, and (iii) the  
13 Expense Reimbursement and other bidding protections for Buyer.  
14

15 B. Debtor's payment, subject to the terms and conditions of the Purchase Agreement and  
16 of this Order, to Buyer of the Expense Reimbursement is (i) an actual and necessary cost and  
17 expense of preserving Debtor's estate, within the meaning of § 503(b) of the Bankruptcy Code, (ii)  
18 of substantial benefit to Debtor's estate, (iii) reasonable and appropriate considering, among other  
19 things, the size and nature of the proposed Asset Sale and the efforts that have been and will be  
20 expended by Buyer notwithstanding that the proposed Asset Sale is subject to higher and better  
21 offers for the Purchased Assets, and (iv) necessary to ensure that Buyer will continue to pursue its  
22 proposed acquisition of the Purchased Assets.  
23  
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1 C. The bidding protections afforded Buyer under the Purchase Agreement as modified  
2 herein are reasonable and appropriate and represent the best method for maximizing the return for  
3 the Purchased Assets.

4 D. The procedures with respect to assumption and assignment of the Assumed Executory  
5 Contracts and Leases, including objections to assumption and assignment and proposed cure  
6 amounts are reasonable and appropriate.  
7

8 **NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED**  
9 **THAT:**

10 1. Sale Hearing. A hearing to consider entry of the Sale Order, including but not limited  
11 to approval of the Asset Sale and the assumption by Debtor and assignment to Buyer of the Assumed  
12 Executory Contracts pursuant to the terms of the Purchase Agreement, will be held before the  
13 Honorable Karen A. Overstreet, United States Bankruptcy Judge, at 700 Stewart St., Room 7206  
14 Seattle, WA 98101, on the day of November 12, 2010, at 9:30 a.m. (PST), or as soon thereafter as  
15 counsel can be heard (the "Sale Hearing").  
16

17 2. Notice of Sale Hearing.

18 (a) The notice of the Sale Hearing (the "Sale Notice"), substantially in the form  
19 attached hereto as Exhibit A, is hereby approved as reasonably calculated to  
20 provide creditors and parties in interest with proper notice of the proposed Sale  
21 Procedures and Sale; and  
22

23 (b) Notice of the Sale Hearing shall be good and sufficient, and no other or further  
24 notice shall be required if by Tuesday, October 12, 2010, (i) the Debtor files with  
25 the Court and serves through the Court's ECF system under a single or  
26

1 consecutive docket numbers all of the pleadings and documents, including the  
2 complete Asset Purchase Agreement and exhibits thereto, necessary to advise a  
3 prospective bidder of the terms and conditions of the sale, (ii) the Debtor files  
4 with the Court and serves through the Court's ECF system a copy of the Sale  
5 Notice on all parties appearing electronically in this case, including without  
6 limitation, the United States Trustee, (ii) the Debtor serves by first-class mail,  
7 postage prepaid, or other method reasonably calculated to provide notice, a copy  
8 of the Sale Notice on each person identified on the master mailing list kept by the  
9 clerk of the Court in this Case pursuant to Local Bankruptcy Rule 2002-1(a),  
10 including without limitation all known creditors of the Debtor and all persons  
11 requesting special notice pursuant to Bankruptcy Rule 2002(i) (provided,  
12 however, that the Debtor shall not be required to separately mail copies of the  
13 Sale Notice to any party that receives electronic notice through the Court's ECF  
14 system), and (iii) the Debtor serves by first-class mail, postage prepaid, or other  
15 method reasonably calculated to provide notice, copies of (x) this Bidding  
16 Procedures Order, and (iv) the Motion and all pleadings filed by the Debtor in  
17 support of the Motion, on all parties known to the Debtor (and its professionals)  
18 to currently have expressed interest in purchasing all or substantially all of  
19 Debtor's assets and its business or previously to have submitted to Debtor a  
20 written proposal for the acquisition of Debtor and/or substantially all of its assets  
21 together with an executed non-disclosure agreement ("Interested Persons").  
22  
23  
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26

1           3.       Objections to Entry of Sale Order. Responses or objections (other than cure  
2 objections), if any, to entry of the Sale Order shall be filed with the Bankruptcy Court, 700 Stewart  
3 St., Seattle, WA 98101 on or before Wednesday, November 10, 2010 (the "Sale Objection  
4 Deadline"), and served on counsel for Debtor, Michael J. Gearin, K&L Gates, LLP, 925 4th Ave.,  
5 Suite 2900, Seattle, WA 98104. The failure of any objecting Person or other entity to timely file its  
6 objection in accordance with the requirements above shall be a bar to the assertion, at the Sale  
7 Hearing or thereafter, of any objection to the Motion, the Asset Sale, or Debtor's consummation and  
8 performance of the Purchase Agreement (including the transfer of the Purchased Assets and  
9 Assumed Executory Contracts and Leases free and clear of all liens, claims, interests, and  
10 encumbrances), if authorized by the Court.

12           4.       Bidding Procedures; Auction. The following terms and procedures are hereby  
13 approved and shall govern the submission of competing bids for the Purchased Assets:

15           (a)       Access to Diligence Materials. Any Interested Person that expresses renewed  
16 interest in the Debtor and participating in the Auction, and that executes (or  
17 has previously executed) a confidentiality agreement with the Debtor, shall be  
18 given access to all due diligence materials previously made available to Buyer  
19 or its affiliates in advance of the Auction, or to such due diligence as such  
20 Interested Person may reasonably request plus reasonable access to the  
21 Debtor's officers and employees, or as ordered by the Court.

23           (b)       On or before October, 15, 2010, Buyer shall file with the Bankruptcy Court  
24 and serve on the Debtor, the Official Committee, the Senior Lenders and the  
25 Junior Lender, (collectively, the "Expense Reimbursement Notice Parties") a  
26

1 declaration (the "Expense Reimbursement Report") setting-forth the amount  
2 of the fees and costs incurred through such date (i) for which it would seek  
3 reimbursement as part of the Expense Reimbursement in the event that it is  
4 not the successful bidder at Auction and (ii) that, unless the Bankruptcy Court  
5 otherwise holds, will constitute the portion of its bid that may be credited at  
6 Auction as a component of the Purchase Price on account of the Expense  
7 Reimbursement (the "Pre-Auction Expense Reimbursement Amount");  
8 provided, however, that such estimation of the Pre-Auction Expense  
9 Reimbursement Amount shall in no way prejudice Buyer's entitlement to the  
10 full amount of the Expense Reimbursement pursuant to Paragraph 6 herein.  
11 The Expense Reimbursement Report, in addition to setting forth the Pre-  
12 Auction Expense Reimbursement Amount, shall generally describe, by  
13 category and in reasonable detail, the fees and costs that comprise the Pre-  
14 Auction Expense Reimbursement Amount. Any objection to the Pre-Auction  
15 Expense Reimbursement Amount must be filed with the Court and served  
16 upon Buyer and the Debtor no later than seven (7) days after it has been  
17 served. If an objection is not timely filed and served, then the Pre-Auction  
18 Expense Reimbursement Amount will be will be allowed to the extent that  
19 Buyer becomes entitled to the Expense Reimbursement in accordance with the  
20 Purchase Agreement, without prejudice to Buyer subsequently requesting  
21 reimbursement of additional Expense Reimbursement amounts. If an  
22 objection is timely filed and served, the Debtor shall obtain a hearing date in  
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24  
25  
26

1 advance of the Auction at which the Court will hear and rule upon the  
2 objection, unless such objection is otherwise consensually resolved by Buyer  
3 and the objecting party.

4 (c) On or before October 15, 2010, the Debtor will file a statement setting forth,  
5 in reasonable detail, its calculation as to the estimated amount of the Total  
6 Purchase Price under Section 1.1 of the Purchase Agreement (the "Purchase  
7 Price Calculation"). On or before October 25, 2010, the Debtor will file an  
8 updated Purchase Price Calculation.

10 (d) Alternative Bid Deadline. For an alternative bid (from a party other than  
11 Buyer) for the Purchased Assets ("Alternative Bid") to be considered, it must  
12 be received not later than **12:00 p.m. PDT on Monday, November 1, 2010**  
13 (the "Alternative Bid Deadline") by:

14  
15 Michael J. Gearin and  
16 Eric Simonson  
17 K&L Gates, LLP  
18 925 Fourth Avenue, Suite 2900  
19 Seattle, Washington 98104  
20 Fax: (206) 370-6012

21 (e) Debtor's counsel shall, by end of business November 1, 2010, distribute a  
22 copy of each such Alternative Bid received to:

23 Dan Goodale  
24 Coast Crane Company  
25 8250 Fifth Ave., South  
26 Seattle, WA 98108  
Fax: (206) 682-6651



1 And to:

2 Leo Plotkin  
3 Levy, Small & Lallas  
4 815 Moraga Drive  
5 Los Angeles, CA 90049  
6 Fax: (310) 471-7990

7 And to:

8 Mark Tito  
9 PNC Business Credit  
10 2 North Lake Ave., Suite 440  
11 Pasadena, CA 91101  
12 Fax: (626) 432-4589

13 And to:

14 Ragan Powers  
15 Hugh McCullough  
16 David Wright Tremaine LLP  
17 1201 Third Avenue, Suite 2200  
18 Seattle, Washington 98101

19 And to:

20 Gayle E. Bush  
21 Christine M. Tobin-Presser  
22 Armand J. Kornfeld  
23  
24 Bush Strout & Kornfeld  
25 601 Union Street  
26 Suite 5000  
Seattle, WA, 98101

And to:

Jack J. Cullen  
Foster Pepper, PLLC  
1111 3rd Ave Ste 3400  
Seattle, WA 98101-3299  
United States  
Fax: (206) 749-2001

And to:

Scott L. Alberino

ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 9

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K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 Akin Gump Strauss Hauer & Feld LLP  
2 1333 New Hampshire Avenue, NW  
3 Washington, DC 20036  
4 Fax: (202) 887-4288

- 5 (f) Qualified Alternative Bid. Debtor will consider an Alternative Bid only if the  
6 Alternative Bid is a "Qualified Alternative Bid." To be a Qualified  
7 Alternative Bid, the Alternative Bid must be in writing, and:  
8 (i) identify the proponent of the Alternative Bid and an individual who is  
9 authorized to appear and act on behalf of the party submitting such  
10 Alternative Bid (an "Alternative Bidder");  
11 (ii) be a firm, unconditional bid to purchase the Purchased Assets, subject  
12 only to the same contingencies and conditions as provided-for in the  
13 Purchase Agreement; subject to paragraph 4(k)(iv) below;  
14 (iii) be a bid, which is in a total amount that is equal to or greater than the sum  
15 of (i) the Cash Portion of the Purchase Price, plus (ii) the Expense  
16 Reimbursement, plus (iii) the Assumed Liabilities, plus (iv) additional  
17 cash consideration of not less than Five Hundred Thousand Dollars  
18 (\$500,000), and (v) minus an amount equal to the Yield Enhancement Fee,  
19 provided, however that the cash portion of such bid shall be no less than  
20 the Cash Portion of the Purchase Price less the Yield Enhancement Fee  
21 (Thirty Million Three Hundred Thousand dollars) plus additional cash  
22 consideration of \$500,000, further provided, however, that a Qualified  
23 Alternative Bid is not required to include the ABL Earn-Out Amount and  
24 the ABL Earn-Out Amount shall be valued at \$0.00 for the purpose of  
25 evaluating all bids.  
26 (iv) contain no less favorable treatment for Trade Creditors than is provided in  
Paragraph 2.3(h) of the Purchase Agreement, including the requirement  
that Trade Creditors will be paid on the later of December 2, 2010 or days  
after Closing, subject to resolution by the Bankruptcy Court of any  
disputes between the Debtor, the Official Committee and any other party  
with respect to the allowance of any claim under 503(b)(9) or the amount  
due with respect to any Contract Cure amounts set forth in Schedule  
2.3(h), which is referenced in Paragraph 2.3(h) of the Purchase  
Agreement.  
(v) be accompanied by sufficient information to demonstrate that the  
competing bidder has the financial wherewithal and ability to timely  
consummate the acquisition of the Purchased Assets on terms and

1 conditions substantially the same as the Purchase Agreement, including  
2 evidence of adequate financing and a financial guaranty, if appropriate;

3 (vi) be accompanied by a signed contract substantially in the form of the  
4 Purchase Agreement, and marked to show any changes made to the  
5 Purchase Agreement; and

6 (vii) be accompanied by a good-faith cash deposit in an amount equal to at  
7 least Seven Million Five Hundred Thousand (\$7,500,000), to be deposited  
8 with Debtor on or before the Alternative Bid Deadline;.

9 (f) CRAC shall provide a good-faith cash deposit in an amount equal to at least  
10 Seven Million Five Hundred Thousand dollars (\$7,500,000), to be deposited with  
11 Debtor on or before the Alternative Bid Deadline.

12 (g) The Debtor, in consultation with the Senior Lenders, Junior Lender, and  
13 Official Committee, and their respective professionals, will evaluate all Alternative  
14 Bids to determine whether or not they are Qualified Alternative Bids and promptly  
15 inform CRAC and all other bidders of all Qualified Alternative Bids and any  
16 information received related to the terms and conditions of such Qualified Alternative  
17 Bids.

18 (h) If the Debtor, in consultation with Senior Lenders, the Junior Lender and the  
19 Official Committee, determines that an Alternative Bid is not a Qualified Alternative  
20 Bid, the Debtor shall so notify such Alternative Bidder as soon as reasonably  
21 practicable, but in no event later than November 3, 2010, and allow the Alternative  
22 Bidder to correct the Alternative Bid notwithstanding the expiration of the Alternative  
23 Bid Deadline. Any Alternative Bidder that is notified by the Debtor that its initial  
24 Alternative Bid is deficient is permitted to submit a second Alternative Bid so as to be  
25 received by the Debtor no later than November 5, 2010 at 12:00 p.m. (PDT). To the  
26 extent there are any disputes regarding whether a bid is a Qualified Alternative Bid,  
the Court will resolve all such disputes at 1:30 p.m. on November 5, 2010.

1  
2 (i) If no Qualified Alternative Bid is submitted for the Purchased Assets, then the  
3 Debtor will request at the hearing that the Court approve the proposed sale of the  
4 Purchased Assets to CRAC pursuant to the Purchase Agreement.

5 (j) Auction, Bidding Increments, and Bids Remaining Open. If Debtor receives a  
6 Qualified Alternative Bid, then:

7 (i) Debtor shall conduct an auction (the "Auction") at the offices of K&L  
8 Gates, LLP, 925 Fourth Avenue, Suite 2900, Seattle, WA 98104, on  
9 November 8, 2010, beginning at 11:00 a.m. (PDT) or such later time  
10 and/or other place as Debtor shall notify the Buyer and all Alternative  
11 Bidders who have submitted Qualified Alternative Bids (such Persons, as  
12 well as Buyer, are referred to collectively herein as "Qualified Bidders"  
13 and each as a "Qualified Bidder" and their bid, a "Qualified Bid") and all  
14 other persons permitted to attend the Auction pursuant to this Order; and

15 (ii) Debtor shall evaluate all Qualified Bids received and shall determine, in  
16 consultation with Senior Lenders, the Junior Lender and the Official  
17 Committee which Qualified Bid reflects the highest and best offer as the  
18 starting auction bid (the "Opening Bid") for the Purchased Assets.,  
19 provided, however, that neither the Senior Lenders, Junior Lender, or  
20 Committee, during the Auction, may communicate, any information  
21 learned in consultation with the Debtor to any bidders without the prior  
22 consent of the Debtor.

23 (k) Additional Auction Procedures. At the Auction, the following procedures will  
24 apply:

25 (i) Only Debtor, a representative of any Official Committee(s) a financial  
26 advisor for such Official Committee, representatives of the Senior  
27 Lenders, representatives of the Junior Lender, and Qualified Bidders (and  
28 their respective professionals) shall be entitled to attend the Auction, and  
29 only Qualified Bidders shall be entitled to make any additional bids  
30 ("Subsequent Bids") at the Auction.

31 (ii) All Qualified Bidders shall be entitled to be present for all bidding with  
32 the understanding that the true identity of each Qualified Bidder shall be  
33 fully disclosed to all other persons present at the Auction and that all  
34 material terms of each bid will be fully disclosed to all other persons  
35 present at the Auction throughout the entire Auction.

36 (iii) No later than one Business Day prior to the Auction, Debtor will give all  
Qualified Bidders and all other persons entitled to attend the Auction a  
copy of the highest and best Qualified Alternative Bid received and copies  
of all other Qualified Alternative Bids. In addition, Debtor will inform

each Qualified Bidder and each other person entitled to attend the Auction of the identity of all Qualified Bidders that may participate in the Auction.

(iv) As of the date of the Auction, no Qualified Bid, including that of CRAC, shall have any financing contingency that has not been waived or satisfied.

(v) Prior to the start of the auction, after consultation with the Senior Lenders, the Junior Lender and the Official Committee, Debtor may announce at the Auction additional procedural rules that it determines to be reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting the Auction, so long as such rules are not inconsistent with these Bidding Procedures.

(vi) At the Auction, bidding shall begin with the amount of the Opening Bid. The first incremental competitive bid at the Auction shall be at least One-Hundred Thousand Dollars (\$100,000) over the Opening Bid, and bidding and shall continue in minimum increments of at least One-Hundred Thousand Dollars (\$100,000) higher than the previous bid. The order of bidding shall begin with the lowest Qualified Bid and shall continue in ascending order of each Qualified Bid. Any bid by CRAC shall be entitled to a credit in the amount of the Pre-Auction Expense Reimbursement Amount in an amount not to exceed \$1,000,000; provided that CRAC shall remain entitled to recover the Expense Reimbursement in the event it is not the successful bidder at the Auction.

(vii) The Auction shall continue in one or more rounds of bidding and shall conclude after each participating Qualified Bidder has had the opportunity to submit an additional subsequent bid with full knowledge of the then-existing highest bid.

(viii) No bids shall be considered by the Debtor unless a party submitted a Qualified Bid and participates in the Auction, provided, however, that this Order shall be subject to resolution of secured creditor credit bid rights to be determined at a hearing now scheduled for October 22, 2010.

(ix) No bids shall be considered by the Debtor unless such bid provides that the assets to be purchased thereunder consist of all or substantially all of Seller's assets.

(x) If Seller, after consultation with the Senior Lenders, the Junior Lender and the Official Committee, determines the winning bid (the "Successful Bid" and the proponent thereof, the "Successful Bidder") and CRAC, the Senior Lender, the Junior Lender, the Committee and/or any Qualified Bidder believes that its own or another bid was in a higher amount than the bid selected as the winning bid, CRAC, the Committee, the Qualified Bidder, Senior Lenders, and/or Junior Lender shall be entitled to file an objection prior to midnight on November 10, 2010 and the Bankruptcy Court shall determine which is the successful bidder at the Sale Hearing.

(xi) When determining the winning bid, Debtor shall include the Pre-Auction

Expense Reimbursement Amount in CRAC's last bid, provided however, that the Pre-Auction Expense Reimbursement has not already been included as a component of CRAC's initial bid..

- (xii) At the conclusion of the Auction, the Debtor will request that the next highest or best Qualified bid (the "Back-Up Bid" and, such bidder, the "Back-Up Bidder") hold its bid open until twenty-days following the entry of the Sale Order. If such bidder declines, the next highest or best Qualified bid may elect to be the Back-Up Bidder and so-on until a Back-Up Bidder is identified. If, following the approval of the Sale to the Successful Bidder, such sale fails to be consummated, then the Back-Up Bidder will be deemed to be the Successful Bid and the Debtor will be obligated to effectuate an Asset Sale to the Back-Up Bidder subject to the terms of the Back-Up Bid without further order of the Bankruptcy Court. The Back-Up Bid shall remain open until twenty (20) calendar days following entry of the Sale Order (the "Back-Up Bid Expiration Date"). All Qualified Bids (other than the Successful Bid and the Back-Up Bid) shall be deemed rejected by the Debtor on and as of the date of entry of the Sale Order by the Bankruptcy Court.
- (xiii) The Deposit of any Back-Up Bidder shall be retained by the Debtor until the Back-Up Bid Expiration Date and returned to the Back-Up Bidder within five (5) business days thereafter or, if the Back-Up Bid becomes the Successful Bid, shall be applied to the purchase price to be paid by the Back-Up Bidder in accordance with the terms of the Back-Up Bid. The Deposits of Qualified Bidders not selected as either the Successful Bidder or Back-Up Bidder (including CRAC) shall be returned to such bidders within five (5) business days of the date of the conclusion of the Auction. The Deposit of the Successful Bidder will be applied in accordance with the terms of the Successful Bid, and will become nonrefundable upon entry of the Sale Order.
- (xiv) In the event that Debtor, after consultation with the Senior Lenders, Junior Lender, and the Committee, determines in good faith and in accordance with this Bidding Procedures Order that it has not received a Qualified Alternative Bid by the Bid Deadline that is a higher and better bid than the one represented by the Purchase Agreement, Debtor shall seek approval of the Purchase Agreement at the Sale Hearing without conducting an Auction and without further motion or adjournment (unless it has received the written consent of CRAC to adjourn the motion) provided, however, that the Senior Lenders, Junior Lender and/or the Committee shall be entitled to object to the Debtor's determination that it has not received a Qualified Bid and such objection shall be resolved as part of the Sale Hearing..
- (xv) The Successful Bidder's Deposit shall be applied by the Debtor against the Cash Portion of the Total Purchase Price to be paid by such Person at the closing of the transaction; and, in the event any such Person (whether the Buyer or a Qualified Alternative Bidder) does not consummate the transaction by reason of its breach of the terms of the purchase agreement

1 such Person has entered into or agreed to enter into with the Debtor, such  
2 Deposit shall be retained by the Debtor as liquidated damages and such  
3 Successful Bidder shall have no further liability for its failure to close.  
4 Except as provided in subparagraph (xiii) above, any party that submits a  
5 Deposit but otherwise fails to submit a Qualified Alternative Bid or that  
6 submits a Deposit and is not the Successful Bidder for the Purchased  
7 Assets shall receive a refund of such Deposit within five (5) business days  
8 of the date of the conclusion of the Auction.

9 6. Approval of Expense Reimbursement. The Expense Reimbursement is hereby  
10 approved on the terms and conditions set forth in the Purchase Agreement except as set-forth herein.  
11 The Expense Reimbursement shall be limited to the lesser of (i) \$1,000,000, and (ii) an amount  
12 equal to Buyer's expenses incurred in connection with the transaction contemplated by the Purchase  
13 Agreement, including, without limitation, documentation, negotiation and effectuation of the sale  
14 transaction (including all approvals and other requirements attendant to the bankruptcy process but  
15 excluding financing-related costs), as well as expenses relating to due diligence, provided, however,  
16 that Buyer may seek approval of an Expense Reimbursement in excess of \$1,000,000 on motion to  
17 the Court, provided further that, the Expense Reimbursement shall only be payable if (i) an  
18 Alternative Transaction is consummated, from the proceeds of such Alternative Transaction (with  
19 the amount payable from the proceeds of such Alternative Transaction being no greater than  
20 \$750,000 except as otherwise ordered by the Court) or (ii) the Debtor withdraws the Sale Motion or  
21 the Purchase Agreement is terminated by Buyer as a result of the Debtor's breach of the Purchase  
22 Agreement, upon application by CRAC for allowance of such Expense Reimbursement as an  
23 administrative priority claim under section 503 of the Bankruptcy Code. The Buyer shall be  
24 required to apply the \$250,000 advance payment received from the Debtor prior to the Petition Date  
25 towards the satisfaction of the Expense Reimbursement as permitted herein.  
26

For the avoidance of doubt, if the Expense Reimbursement is payable as a result of the  
Court's approval of the Asset Sale to a Qualified Bidder (other than Buyer), then the Expense  
Reimbursement shall be payable to CRAC at the closing of such Alternative Transaction, on a first

1 priority basis, out of the proceeds paid to Debtor on account of such Alternative Transaction,  
2 whether implemented pursuant to 11 U.S.C. § 363 or through any plan of reorganization or  
3 liquidation filed in this bankruptcy case. No liens or security interests shall attach to the Expense  
4 Reimbursement. CRAC shall be entitled to seek specific performance of the Purchase Agreement to  
5 enable it to purchase the Purchased Assets on the terms contained in the Purchase Agreement and all  
6 parties in interest that have standing shall be entitled to challenge the granting of such relief.

7           7.       Assumption and Assignment of Executory Contracts and Leases.

8 The Executory Contract Procedures are approved as follows:

9           a.       On or prior to the Initial Designation Deadline, CRAC shall use commercially  
10 reasonable efforts to designate in writing each Executory Contract that CRAC elects to be  
11 assumed and assigned to it (each, a “Initial Assumed Executory Contracts and Lease”),  
12 which shall be assumed and assigned to CRAC pursuant to the Sale Order.

13           b.       Upon receipt of sufficient funds pursuant to sections 2.3(j) and 3.1(b)(vii) of  
14 the Purchase Agreement, Debtor shall pay, satisfy or otherwise discharge the obligations with  
15 respect to the Cure Costs related to the Initial Assumed Executory Contracts and Leases by  
16 the later of (i) the Closing Date, and (ii) such later date as the Bankruptcy Court may order in  
17 connection with any order authorizing Seller to assume or reject the Executory Contracts  
18 under Section 365 of the Bankruptcy Code (the “Cure Costs Deadline”), and in each instance  
19 CRAC shall have no liability therefore (except as expressly set forth in Section 2.3(j) of the  
20 Purchase Agreement); provided, however, that the Cure Costs Deadline shall be extended to  
21 a date fifteen (15) days following the entry of a Bankruptcy Court order resolving any  
22 disputed Cure Costs.  
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1 c. After the Initial Designation Deadline, and by no later than the Final  
2 Designation Deadline, which shall be the thirtieth (30<sup>th</sup>) day following the Closing Date, (the  
3 "Additional Designation Period"), CRAC shall be entitled to designate any remaining  
4 unassumed Executory Contract or Lease that CRAC may want to assume from Debtor and  
5 have assigned to it ("Additional Designated Executory Contract") and Debtor shall use its  
6 reasonable efforts to seek entry of an Assumption Order with respect any such Additional  
7 Designated Executory Contract.

8 d. With respect to each Additional Designated Executory Contract, and upon  
9 receipt of sufficient funds pursuant to Section 2.3(j) and Section 3.1(b)(vii) (which funds, to  
10 the extent not allocated out of the Purchase Price pursuant to Section 3.1(b), shall be paid by  
11 CRAC to Seller substantially simultaneously with the later of (x) the Closing and (y) the date  
12 of the assumption and assignment of such Additional Designated Executory Contracts),  
13 Debtor shall pay, satisfy or otherwise discharge all obligations with respect to the Cure Costs  
14 related to each Additional Designated Executory Contract to the extent that such expenses  
15 have accrued prior to the Closing Date. Such payment shall be made on such date as the  
16 Bankruptcy Court may order in connection with any order authorizing Seller to assume or  
17 reject such Additional Designated Executory Contract under Section 365 of the Bankruptcy  
18 Code.

19 e. With respect to each Additional Designated Executory Contract, CRAC shall  
20 pay, satisfy or otherwise discharge all expenses of administration allowed by the Bankruptcy  
21 Court in connection with such Additional Designated Executory Contract to the extent such  
22 expenses accrued during the period commencing on the first day following the Closing Date  
23 and ending on the date on which such Additional Designated Executory Contract is either (i)  
24 designated for rejection in writing by CRAC or (ii) designated by CRAC as an Assumed  
25 Executory Contract and assumed by and assigned to CRAC pursuant to an Assumption Order  
26

1 (the "Post-Closing Determination Period"); provided, however, that Debtor shall use  
2 commercially reasonable efforts to obtain the entry of an Assumption Order in connection  
3 with any Additional Designated Executory Contract by no later than thirty (30) days after the  
4 Final Designation Deadline. The Debtor will have no liability for any obligations or  
5 indebtedness that may accrue under any Additional Designated Executory Contract during  
6 the Post-Closing Determination Period, except for any obligations or indebtedness arising by  
7 as a result of Debtor's willful misconduct or gross negligence.

8 f. From the Effective Date through and including the Final Designation Deadline,  
9 Debtor will not reject or allow for the rejection of any Executory Contract unless otherwise  
10 agreed to in writing by CRAC. To the extent that an Executory Contract becomes an  
11 Additional Designated Executory Contract, Debtor shall not reject or allow for the rejection  
12 of such Executory Contract until CRAC designates in writing that such Executory Contract is  
13 to be rejected.

14 g. If, by the Final Designation Deadline, CRAC fails to instruct Debtor in writing to  
15 reject an Executory Contract that is not by that date either an Assumed Executory Contract or  
16 an Additional Designated Executory Contract, Debtor shall immediately, but in no event  
17 more than two (2) Business Days following the Final Designation Deadline, provide written  
18 notice of its intention to reject such Executory Contract. CRAC shall have two (2) Business  
19 Days from its receipt of such notice to provide Debtor with written notice of its decision to  
20 designate such Executory Contract as an Additional Designated Executory Contract. If  
21 CRAC timely designates such Executory Contract as an Additional Designated Executory  
22 Contract, CRAC shall have all those obligations and rights set forth in paragraphs 4(d) and  
23 (e) above with respect to such Executory Contract. If CRAC does not timely so designate  
24  
25  
26

1 such Executory Contract as an Additional Designated Executory Contract, CRAC shall have  
2 no obligation or liability on account of such Executory Contract and Debtor shall retain any  
3 and all obligations or liabilities in connection therewith; provided that CRAC shall pay,  
4 satisfy or otherwise discharge all expenses of administration allowed by the Bankruptcy  
5 Court in connection with such Executory Contract for the period commencing on the first day  
6 following the Closing Date and ending on the effective date of the rejection of such  
7 Executory Contract, so long as Debtor (i) files with the Bankruptcy Court its rejection of  
8 such Executory Contract within six (6) Business Days following the Final Designation  
9 Deadline and (ii) requests the earliest possible hearing date available with the Bankruptcy  
10 Court to finalize such rejection(s).  
11

12 h. The Debtor shall have the right to amend the Executory Contract Procedures  
13 in accordance to the terms of any purchase agreement signed by the prevailing bidder at the Auction  
14 in the event that CRAC is not the prevailing bidder at the Auction.  
15

16 8. Assumption and Assignment of Executory Contracts and Leases. The procedures for  
17 notifying non-Debtor parties to the Assumed Executory Contracts and Leases and resolving possible  
18 disputes in connection with the assumption and assignment of such Assumed Executory Contracts  
19 and Leases, including but not limited to cure amount disputes, shall be as follows:

20 (a) Notice of Objection Deadline: Within three (3) Business Day after the date  
21 this Bidding Procedures Order is entered, the Debtor shall mail or otherwise  
22 serve a copy of such Order, together with a copy of the Notice of Debtor's  
23 Intent to Assume and Assign Executory Contracts and Unexpired Leases,  
24 substantially in the form attached hereto as Exhibit B, by regular mail to all  
25 non-Debtor parties (the "Contract Parties") to the Assumed Executory  
26

1 Contracts and Leases, as well as to all Persons or other entities entitled to  
2 notice pursuant to the terms of such Assumed Executory Contracts, notifying  
3 all such Persons or entities and Contract Parties of the requirement to file an  
4 objection on or before the Cure Objection Deadline (as defined below).

5 (b) After the Auction, the Debtor will provide immediate notice of the identity of  
6 the Successful Bidder to the Contract Parties by email, facsimile, or any  
7 method reasonably expected to provide notice in a timely manner. For  
8 contracts for which CRAC is not the Successful Bidder, the deadline to file an  
9 Assumption/Assignment Objection, only, will be the time of the Sale Hearing.

10  
11 (c) Objections. Any Contract Party wishing to assert that any defaults,  
12 conditions, or pecuniary losses under any of the Assumed Executory  
13 Contracts as of the Petition Date must be cured or satisfied in order for any  
14 such Assumed Executory Contract to be assumed and/or assigned, other than  
15 those identified in the Cure Amount, shall be required to file and serve an  
16 objection (a "Cure Objection"), in writing, setting forth with specificity any  
17 and all obligations that the Contract Party asserts must be cured or satisfied.  
18 Any party objecting to the potential assumption and assignment of such  
19 Assumed Executory Contract, shall likewise be required to file and serve an  
20 objection (an "Assumption/Assignment Objection") setting forth with  
21 specificity any and all objections to the potential assumption and assignment  
22 of such Assumed Executory Contract.

23 (d) Cure Objection or Assumption/Assignment Deadline: Each objection, to be  
24 considered a timely Cure Objection or Assumption/Assignment Objection,  
25 must be filed and served on or before November 8, 2010 (the  
26

1 "Cure/Assignment Objection Deadline"), provided that if a Qualified Bidder,  
2 other than CRAC, is the successful buyer at the auction (the "Successful  
3 Bidder"), the deadline for filing Assumption/Assignment Objections shall be  
4 extended until the Sale Hearing. Any such extension does not apply to the  
5 deadline for filing Cure Objections, which shall remain November 8, 2010,  
6 whether or not CRAC is the successful bidder. Any Cure Objection and/or  
7 Assumption/Assignment Objection must be filed with the Court, 700 Stewart  
8 Street, Seattle, WA, 98101 and a copy delivered to :

9 Michael J. Gearin and  
10 Eric Simonson  
11 K&L Gates, LLP  
12 925 Fourth Avenue, Suite 2900  
13 Seattle, Washington 98104  
14 Fax: (206) 370-6012

15 Debtor's counsel shall distribute a copy of such objection to:

16 Dan Goodale  
17 Coast Crane Company  
18 8250 Fifth Ave., South  
19 Seattle, WA 98108  
20 Fax: (206)682-6651

21 And to:

22 Melanie Mansfield  
23 Gregory Bray  
24 David Zolkin  
25 Milbank, Tweed, Hadley & McCloy LLP  
26 601 South Figueroa Street, 30th Floor  
Los Angeles, CA 90017  
Fax: (213) 629-5063

And to:

Mark D. Northrup  
Graham & Dunn, PC  
Pier 70  
2801 Alaskan Way Ste 300

1 Seattle, WA 98121-1128  
2 United States  
3 Fax: (206) 340-9599  
4

5 And to:

6 Jose E. Feliciano  
7 Clearlake Capital Partners  
8 233 Wilshire Blvd., Suite 800  
9 Santa Monica, CA 90401  
10 (310) 400-8801

11 And to:

12 Leo Plotkin  
13 Levy, Small & Lallas  
14 815 Moraga Drive  
15 Los Angeles, CA 90049  
16 Fax: (310) 471-7990

17 And to:

18 Mark Tito  
19 PNC Business Credit  
20 2 North Lake Ave., Suite 440  
21 Pasadena, CA 91101  
22 Fax: (626) 432-4589

23 And to:

24 Ragan Powers  
25 Hugh McCullough  
26 David Wright Tremaine LLP  
1201 Third Avenue, Suite 2200  
Seattle, Washington 98101

And to:

Gayle E. Bush  
Bush Strout & Kornfeld  
601 Union Street  
Suite 5000  
Seattle, WA, 98101

ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 22

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K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 And to:

2 Jack J. Cullen  
3 Foster Pepper, PLLC  
4 1111 3rd Ave Ste 3400  
5 Seattle, WA 98101-3299  
6 United States  
7 Fax: (206) 749-2001

8 And to:

9 Scott L. Alberino  
10 Akin Gump Strauss Hauer & Feld LLP  
11 1333 New Hampshire Avenue, NW  
12 Washington, DC 20036  
13 Fax: (202) 887-4288

14 (e) Failure to File Cure Objection and/or Assumption/Assignment Objection:

15 Unless a Cure Objection and/or Assumption/Assignment Objection is timely  
16 filed and served by a Contract Party to an Assumed Executory Contract or  
17 Lease by the Cure Objection Deadline and/or Assumption/Assignment  
18 Deadline, the Court may enter an order authorizing or effecting the  
19 assumption and assignment of such Assumed Executory Contract or Lease at  
20 the Sale Hearing without regard to any objection such party may have.

21 (f) Waiver of Cure Objection: Contract Parties who fail to file and serve Cure  
22 Objections as provided above shall be deemed to have waived and released  
23 any objection to the amount of the cure proposed by the Debtor and shall be  
24 forever barred and estopped from asserting or claiming against the Debtor, the  
25 Buyer or any other Qualified Bidder that any additional amounts are due or  
26 defaults exist, or conditions to assignment must be satisfied, under such  
Assumed Executory Contract.

1 (g) Objection Hearings: Hearing(s) with respect to Cure Objections and or  
2 Assumption/Assignment Objections, if any, may be held at the Sale Hearing,  
3 or at such other date as the Court may designate, giving effect to the need for  
4 certainty and the timing provisions regarding the establishment and  
5 satisfaction of applicable cure amounts as set forth in the Purchase  
6 Agreement, as well as the fact that a Successful Bidder other than Buyer may  
7 have identified contracts not included in the Assumed Executory Contracts to  
8 include in such party's bid. If the subject Assumed Executory Contract is  
9 assumed and assigned prior to resolution of the cure amount, the liquidated  
10 cure amount timely asserted by the objecting party, if any (or such lower  
11 amount as may be fixed by the Court), shall be deposited by the Debtor into a  
12 segregated account pending further order of the Court or agreement of the  
13 parties.

14 8. Sale Hearing Adjournment. Subject to Buyer's consent rights under the Purchase  
15 Agreement, the Sale Hearing may be adjourned, from time to time, without further notice to  
16 creditors or parties-in-interest other than by announcement of the adjournment in open Court or on  
17 the Court's calendar on the date scheduled for the Sale Hearing.

18 9. Expenditures. Debtor is hereby authorized to take such steps and incur and pay such  
19 expenditures as may be necessary or appropriate to effectuate the terms of this Bidding Procedures  
20 Order, subject to any limitations on the use of cash collateral and the proceeds of post-petition credit  
21 facilities imposed by applicable law, the agreements to which the Debtor is a party, or other orders  
22

23 ///

24 ///



1 of this Court.

2 DATED this \_\_\_\_ day of October, 2010.

3  
4   
5 United States Bankruptcy Judge  
(Dated as of Entered on Docket date above)

6 Presented by:  
K&L Gates, LLP

7 By /s/ Michael J. Gearin  
8 Michael J. Gearin, WSBA # 20982  
9 David C. Neu, WSBA #33143  
Brian L. Lewis, WSBA #33560  
Attorneys for Coast Crane Company

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ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 25

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K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

**EXHIBIT A  
TO BIDDING PROCEDURES ORDER  
FORM OF  
NOTICE OF SALE HEARING**

TO: Affected Parties  
AND TO: The Court of the Clerk  
AND TO: The United States Trustee,  
AND TO: Other Parties Entitled to Notice

PLEASE TAKE NOTICE that a hearing has been scheduled on **November 12, at 9:30 A.M. (PDT)** before the Honorable Karen A. Overstreet, United States Bankruptcy Judge, in Courtroom 7206, 700 Stewart Street, Seattle, WA, 98101 on the Debtor's Motion for Order Approving the Sale of Substantially All of The Debtor's Assets and Business Free and Clear of All Liens, Claims, Interests and Encumbrances; Approving the Assumption and Assignment by the Debtor to Buyer of Certain of the Debtor's Executory Contracts; and Granting Other Relief (the "Sale Motion" and "Sale Order," respectively).

By the Sale Motion, the Debtor requests that the Court enter an order authorizing the sale of substantially all of the Debtor's assets and business (the "Assets") more particularly identified in the Purchase Agreement (defined in the Sale Motion), free and clear of all liens, claims, and encumbrances to either: (1) Coast Rainier Acquisition Company ("CRAC"), or (2) an Alternative Bidder (defined in the Sale Motion). The Debtor also seeks Court approval of the assumption and assignment of certain executory contracts (the "Executory Contracts"), which will be transferred to the successful bidder at the auction.

PLEASE TAKE FURTHER NOTICE that the Debtor has filed with the Court the Declaration of Tom Neary attached to which is a copy of the Purchase Agreement (including a description of the Purchased Assets). Copies of this pleading and documents may be (1) reviewed and copied at the Clerk of the United States Bankruptcy Court, 700 Stewart Street, Seattle, WA 98101 or (2) may be obtained by submitting a written request to Ms. Kjrsten Swan, Paralegal, K&L Gates, LLP, 925 Fourth Avenue, Suite 2900, Seattle, WA 98104-1158, Tel: (206) 623-7580, Fax: (206) 623-7022.

PLEASE TAKE FURTHER NOTICE THAT IF YOU OPPOSE the Sale Motion, you must file your written objection NO LATER THAN **Wednesday, November 10, 2010 at midnight (PST)**. . . Objections must be filed with the Court, 700 Stewart Street, Seattle, WA, 98101, and a copy delivered to

Michael J. Gearin and  
Eric Simonson  
K&L Gates, LLP  
925 Fourth Avenue, Suite 2900  
Seattle, Washington 98104  
Fax: (206) 370-6012

PLEASE TAKE FURTHER NOTICE that in accordance with Local Bankruptcy Rule 9013-

ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 26

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K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 1(d)(7), failure to timely file and serve an objection to the Sale Motion may be deemed by the Court an  
2 admission that any opposition to the Sale Motion is without merit. Further, pursuant to Local Bankruptcy  
3 Rule 9013-1(e), failure to appear at the hearing on the Sale Motion may be deemed by the Court to be an  
4 admission that any opposition to the Sale Motion is without merit. Further, pursuant to Local Bankruptcy  
5 Rule 9013-1(f), if no opposition to the Sale Motion is timely filed and served, the Court may either (a) grant  
6 the Sale Motion by default at the hearing, or (2) grant the Sale Motion prior to the hearing on the Debtor's ex  
7 parte presentation of a proposed order accompanied by proof of service and a declaration that no objection to  
8 the Sale Motion was timely received.

9 DATED this \_\_\_\_ day of October, 2010.

11 K&L GATES LLP

13 By \_\_\_\_\_  
14 Michael J. Gearin, WSBA # 20982  
15 David C. Neu, WSBA #33143  
16 Brian L. Lewis, 33560  
17 Attorneys for Coast Crane Company

21 ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
22 ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
23 ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 27

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K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

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**EXHIBIT B**  
**TO BIDDING PROCEDURES ORDER**  
**FORM OF**  
**NOTICE OF DEBTOR'S INTENT TO ASSUME**  
**AND ASSIGN EXECUTORY CONTRACTS AND**  
**UNEXPIRED LEASES**

TO: Affected Parties Including Contract Counter-Parties  
AND TO: The Court of the Clerk  
AND TO: The United States Trustee,  
AND TO: Other Parties Entitled to Notice

PLEASE TAKE NOTICE that the Debtor has filed a Motion for Order Approving the Sale of Substantially All of The Debtor's Assets and Business Free and Clear of All Liens, Claims, Interests and Encumbrances; Approving the Assumption and Assignment by the Debtor to Buyer of Certain of the Debtor's Executory Contracts; and Granting Other Relief (the "Sale Motion" and "Sale Order," respectively).

By the Sale Motion, the Debtor requests that the Court enter an order authorizing the sale of substantially all of the Debtor's assets and business (the "Assets") more particularly identified in the Asset Purchase and Sale Agreement dated September 21, 2010 (defined in the Sale Motion), free and clear of all liens, claims, and encumbrances to either: (1) Coast Rainier Acquisition Company ("CRAC"), or (2) an Alternative Bidder (defined in the Sale Motion). The Debtor also seeks Court approval of the assumption and assignment of certain executory contracts and unexpired leases (the "Assumed Executory Contracts/Leases"), which will be transferred to the successful bidder at the auction.

PLEASE TAKE FURTHER NOTICE that the Debtor has filed with the Court the Declaration of Tom Neary attached to which is a copy of the Agreement (including a description of the Assets). Copies of this pleading and documents may be (1) reviewed and copied at the Clerk of the United States Bankruptcy Court, 700 Stewart Street, Seattle, WA 98101 or (2) may be obtained by submitting a written request to Ms. Kjrsten Swan, Paralegal, K&L Gates LLP, 925 Fourth Avenue, Suite 2900, Seattle, WA 98104-1158, Tel: (206) 623-7580, Fax: (206) 623-7022.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Sale Motion, the Debtor seeks authority to assume and assign the Assumed Executory Contracts/Leases which will be transferred to the successful bidder at an auction of substantially all of the Debtor's assets to be held on November 8, 2010. Provided with this notice, and attached as Exhibit A is the list of contracts and leases which the Debtor intends to assume and assign to CRAC or, if applicable, the Alternative Bidder, and the Debtor's calculation of the amount necessary to cure the arrearages on the contracts or leases (the "Cure Amount"). Attached as Exhibit B is a list of contracts and leases that the Debtor, at its discretion, may elect to reject.

ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 28

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K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 PLEASE TAKE FURTHER NOTICE THAT any Contract Party wishing to assert that any  
2 defaults, conditions, or pecuniary losses under any of the Assumed Executory Contracts/Leases as of  
3 the Petition Date must be cured or satisfied in order for any such Assumed Executory Contract/  
4 Lease to be assumed and/or assigned, other than those identified in the Cure Amount, shall be  
5 required to file and serve an objection (a "Cure Objection"), in writing, setting forth with specificity  
6 any and all obligations that the Contract Party asserts must be cured or satisfied. Any party  
7 objecting to the potential assumption and assignment of such Assumed Executory Contract/Lease,  
8 shall likewise be required to file and serve an objection (an "Assumption/Assignment Objection")  
9 setting forth with specificity any and all objections to the potential assumption and assignment of  
10 such Assumed Executory Contract.

11  
12 PLEASE TAKE FURTHER NOTICE THAT to be considered a timely Cure Objection or  
13 Assumption/Assignment Objection, must be filed and served on or before **November 8, 2010** (the  
14 "Cure/Assignment Objection Deadline"). **Only in the event a Qualified Bidder, other than CRAC**  
15 **is the successful buyer at the auction (the "Successful Bidder"), the DEADLINE FOR FILING**  
16 **ASSUMPTION/ASSIGNMENT OBJECTIONS SHALL BE EXTENDED UNTIL THE TIME**  
17 **OF THE SALE HEARING. SUCH EXTENSION DOES NOT APPLY TO THE DEADLINE**  
18 **FOR FILING CURE OBJECTIONS WHICH REMAINS NOVEMBER 8, 2010, WHETHER**  
19 **OR NOT CRAC IS THE SUCCESSFUL BIDDER.** Objections must be filed with the Court, 700  
20 Stewart Street, Seattle, WA, 98101. and a copy delivered to

21  
22 Michael J. Gearin and  
23 Eric Simonson  
24 K&L Gates, LLP  
25 925 Fourth Avenue, Suite 2900  
26 Seattle, Washington 98104  
Fax: (206) 370-6012

PLEASE TAKE FURTHER NOTICE that the results of the auction may be obtained after  
3:00 p.m. PT on November 9, 2010, by requesting the result, in writing by facsimile, email, or U.S.  
Mail from Ms. Kjrsten Swan, Paralegal, K&L Gates, LLP, 925 Fourth Avenue, Suite 2900, Seattle,  
WA 98104-1158, Tel: (206) 623-7580, Fax: (206) 623-7022, [kjrsten.swan@klgates.com](mailto:kjrsten.swan@klgates.com).

PLEASE TAKE FURTHER NOTICE THAT hearing(s) with respect to Cure Objections or  
Assumption/Assignment Objections, if any, may be held (i) at the Sale **Hearing to be held on**  
**November 12, 2010 at 9:30 A.M. PST before the Honorable Karen A. Overstreet, United States**  
**Bankruptcy Judge, in Courtroom 7206, 700 Stewart Street, Seattle, WA, 98101,** or at such other  
date as the Court may designate, giving effect to the need for certainty and the timing provisions  
regarding the establishment and satisfaction of applicable cure amounts as set forth in the Purchase  
Agreement, as well as the fact that a Successful Bidder other than Buyer may have identified  
contracts not included in the Assumed Executory Contracts to include in such party's bid. If the  
subject Assumed Executory Contract is assumed and assigned prior to resolution of the cure amount,  
the liquidated cure amount timely asserted by the objecting party, if any (or such lower amount as  
may be fixed by the Court), shall be deposited by the Debtor into a segregated account pending  
further order of the Court or agreement of the parties.

ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 29

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K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 PLEASE TAKE FURTHER NOTICE THAT Contract Parties who fail to file and serve  
2 Cure Objections and/or Assumption/Assignment Objections as provided above shall be deemed to  
3 have waived and released any objection to the amount of the cure proposed by the Debtor and  
4 shall be forever barred and estopped from asserting or claiming against the Debtor, the Buyer or  
5 any other Qualified Bidder that any additional amounts are due or defaults exist, or conditions to  
6 assignment must be satisfied, under such Assumed Executory Contract.

7  
8 DATED this 2nd day of October, 2010.

9  
10 K&L GATES LLP

11  
12 By \_\_\_\_\_  
13 Michael J. Gearin, WSBA # 20982  
14 David C. Neu, WSBA #33143  
15 Brian L. Lewis, 33560  
16 Attorneys for Coast Crane Company  
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ORDER, INTER ALIA, (i) SCHEDULING A HEARING TO APPROVE  
ASSET PURCHASE AGREEMENT WITH COAST RAINIER  
ACQUISITION COMPANY FOR SALE OF DEBTOR'S ASSETS, FREE AND CLEAR OF LIENS. . . - 30

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